

**SPECIAL MEETING  
BOARD OF MAYOR AND ALDERMEN**

**March 13, 2002**

**7:00 PM  
Aldermanic Chambers  
City Hall (3<sup>rd</sup> Floor)**

Mayor Baines called the meeting to order.

Mayor Baines called for the Pledge of Allegiance; this function being led by Alderman Shea.

A moment of silent prayer was observed.

The Clerk called the roll.

Present: Aldermen Wihby, Gatsas, Guinta, Sysyn, Osborne, Pinard, O'Neil,  
Lopez, Shea, DeVries, Garrity, Smith, Thibault and Forest

Alderman O'Neil noted that there was a new set of dates for budget meetings that had been reworked by the Clerk's office at the request of some aldermen, and suggested that if there were specific dates that were a problem they should contact either he or the Clerk on the matter.

Update of City's financial situation.

Mayor Baines stated what we are going to do tonight is I am going to make some very general comments about the financial situation of the City and then we are going to adjourn the meeting to discuss negotiation strategies and ask for some general direction. If any of you have been reading comments that I made at the School Board meeting the other night, I was talking about the backdrop of going into the budget process this year. As you know we started the budget process many months ago in terms of reaching out to the department heads in terms of what their expectations are in terms of their own budget. We also monitor the revenue situation very, very closely. You know we face a situation this year where revenues are not performing initially where we would like them to perform. We had the interest income issue, the parking revenue issue and looking at what we could project for next year. Generally speaking on the school side last year we had over \$8 million in additional revenue that came from the State. We are projecting revenues to be flat in terms of additional

revenues from the School District. So last year when we got \$8 million, if you look at those revenues they helped offset the increase in the School District's budget without an impact directly on the tax rate. Secondly, when we look at the budget we can usually look at revenues. We have been in a recessionary mode as you know, not only our government by the State has been reacting to it and we have done some reaction to it as communities across the country have done and we are looking at next year having revenues being relatively flat. As you know, those of you who are veterans to the process, you know that when I present my budget in March sometimes you have one outlook and as we get closer to June if we see other trends with revenues we are able to make some adjustments and we are very hopeful that we are beginning to see a turnaround in terms of revenues. With that backdrop we have asked first of all for the School District to go back on their budget and look at more of a maintenance type budget than a growth budget looking at contractual obligations that were made under the contract that was approved by both the school Board and the Aldermen, which requires the additional 18 classroom teachers to bring the elementary school teachers and the middle school and high school teachers in parity on preparation periods and also looking at projected growth in health insurance, which is an issue that we are obviously monitoring very closely. As you know, we have proposals on the table that look at ranges from 12% to 25% and we have hired a firm to come in and do some due diligence with that package and they are going to be reporting back to the board and working with the Insurance Committee that the previous Mayor had and that I have as well. So, we have asked the department heads, again, to look at a maintenance budget initially. We have asked them now to look at where various percentages in reductions would take place. We met with the department heads to do that today. We are going to have a series of meetings to follow-up on that, but basically you are looking at a situation where if you increase \$1 on the budget, the impact is going to be directly on the property tax rate notwithstanding potential growths and revenue. That is sort of the backdrop that we are looking at with the financial situation in the City. When I report to you on my budget on March 21, we will have that outlined very specifically to you and then we will roll up our sleeves, so to speak, over the next few months and try to do our best to develop a budget that is fair to delivery of services to the people because obviously we are a service driven enterprise when you look at City government and also fair to the taxpayers but it is going to be very, very difficult this year to put together a budget that allows us to do that. That is the general backdrop of the budget. Having said that, what I would like to do now is ask for a motion to adjourn the regular meeting, and hold a negotiation strategy session.

This being a special meeting of the Board no further business was presented and on motion of Alderman Thibault, duly seconded by Alderman Lopez, it was voted to adjourn.

A True Record. Attest.

City Clerk